

**PILOT LOCAL
GOVERNMENT
PARTNERSHIP PROGRAM**

**FOLLOW-UP STEPS TO THE
ECONOMIC DEVELOPMENT
WORKSHOP IN THE NOWY
SACZ REGION (THE
FUTURE NOWY SACZ
POWIAT)**

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PILOT LOCAL GOVERNMENT PARTNERSHIP PROGRAM

FOLLOW-UP STEPS TO THE ECONOMIC DEVELOPMENT WORKSHOP IN THE NOWY SACZ REGION (THE FUTURE NOWY SACZ POWIAT)

INTRODUCTION

The idea of working out an economic development program (EDP) for Nowy Sacz region, understood as the area of the future Nowy Sacz *powiat*, is another in the series of local community initiatives aimed at assuring a dynamic and balanced development of the territory. Among the activities launched within the initiative one can mention: establishment of a special Economic Committee working within the structure of the Public Service City Zone in Nowy Sacz, well advanced activities aimed at establishing the Center for Supporting Entrepreneurship, or involvement in financial undertakings within the PHARE fund. Such intense activity in the field of supporting development would not be possible but for the financial and professional help provided by the American agency for international cooperation USAID and the Malopolska School of Public Administration (MSPA). The working out of EDP according to the organizational and methodological assumptions proposed in this document will be possible thanks to the participation of USAID in the costs of the undertaking.

The principles of working out the EDP proposed in the present document have been prepared on the basis of the assumptions of the action plan for the Zone, on the coordinates adopted during the workshops on the economic development of the Zone (Krynica, September 1997), on the coordinates adopted during the session of the assembly of the Zone in October 1997 and during the meeting (on 17 November) of the representatives of the authorities of Nowy Sacz, members of the Nowy Sacz Club and of MSPA.

The EDP will be prepared by the Nowy Sacz Club—Association for Supporting Socio-Economic Initiatives, established in September 1997. The activities of the Club are aimed to support the initiatives enhancing the socio-economic development of Nowy Sacz region. The statutes of the Association contains the statement that it realizes its goals through “cooperation with trade union organizations, self-government units, social and economic entities, state and self-government institutions in working out and implementing the program of socio-economic development of Nowy Sacz region.” The club will cooperate with MSPA whose experts will participate in the works on the EDP. It has been agreed that the prepared EDP will be presented to the General Assembly of the Zone for acceptance.

THE EDP is addressed to all the institutions and economic entities functioning within the bounds of the Nowy Sacz region. It should be stressed that the preparation of the EDP is to result in the creation of better conditions of functioning for the local business circles. It should contribute to the increased competitiveness of the local economic entities and will trigger further socio-economic development of Nowy Sacz region.

ASSUMPTIONS OF THE ECONOMIC DEVELOPMENT PROGRAM FOR NOWY SACZ REGION

The proposed assumptions of the EDP are formulated in the following statements:

- ! Strategic goals of economic development include long-term projects optimizing the exploitation of the potential of the Nowy Sacz region and gaining it an advantageous position in the future.
- ! EDP should be a long-term program. Its time horizon should cover the period of 1999-2003.
- ! EDP should be prepared mainly by the principal entities functioning in the region. The role of external institutions should be reduced to the function of providing expertise and the role of a moderator.
- ! Representatives of local entrepreneurship should be engaged in the working out of the EDP.

In order for the program of economic development of Nowy Sacz region to have a chance to yield a new quality and to enable an ordered development based on social compromise, it is indispensable to engage all the significant entities of the region in its preparation. The conception of development should originate in the self-government organizations (economic self-government included), government and self-government institutions as well as economic entities. The creators of the program should be aware that it is not closed, both in its essential and in temporal aspects. The program to be realized in the future should be understood as a dynamic process. It is obvious that one cannot foresee all the macroeconomic, microeconomic, social and environmental parameters determining the economic development program to be realized. In some cases the influence of external factors may be of major importance for the socio-economic situation, as it happened during the floods in the last summer. For these reasons the EDP should be perceived by the leaders not as a document worked out once and for all, but as a constant process of programming the development that allows for modifications.

On the basis of the workshops that took place in Krynica one can discern a general vision of economic development of Nowy Sacz region. The participants had a chance to exchange views on the important subjects concerning the optimal economic development. It seems that the establishment of a steady platform for cooperation and exchange of opinions between the participants of economic, political and social life is the only way to negotiate such a program of economic development that would be viable.

The Purpose of the EDP

The question of the purpose of the EDP arose during the workshops in Krynica. It was also mentioned during all the following meetings related to the subject. It was determined that the EDP will be adopted by the Assembly of the Zone and will function as the basis for the coordination of the activities of both the authorities of the Zone and of all the entities functioning within the bounds of the region. This should create optimal conditions for the implementation and the current modifications of the EDP.

The solutions adopted in the EDP are to improve as much as possible the conditions of functioning of small and middle-size enterprises. Thus, the business circles of Nowy Sacz region will be the addressee of the EDP. Engaging local banking and consulting institutions in the working out of the EDP should contribute to a more efficient exploitation of the local capital resources. Such activity may result in an increasing number of credits not oriented on consumption that will be granted in the region.

ECONOMIC DEVELOPMENT PROGRAM MODEL

It is the fundamental assumption of the process of programming the development that its shape should be determined with the participation of all the relevant entities of political, economic and social life. A will for cooperation of this type was declared by the representatives of the institutions participating in the workshops in Krynica. Therefore, it seems to be the most important task at present to determine the character of further cooperation and to provide it with a more formalized shape, both institutional and temporal.

The efficacy of works consisting in the preparation of a common stand toward a given question depends on the competence of the members and their adequate (not excessive) number. Therefore the works on the EDP will proceed within the framework of separate thematic groups.

The EDP Team Members

The team preparing EDP should consist of representatives of the following types of entities functioning within the bounds of Nowy Sacz region:

- Local business circles
- PSCZ in Nowy Sacz, and especially the Committee for Economic Development
- Voivodship Offices, and especially the following divisions:
 - Division of Economic Development
 - Division of Spatial Planning and Architecture
 - Division of Agriculture

- Division of Tourism and Culture
- Division of Technical Infrastructure and Communication
- The Municipal Offices of Nowy Sacz
- *Gmina* and Town Offices participating in the Zone
- Local Offices
- The Self-government Assembly
- Banking and consulting institutions
- The Merchants' Guild
- The Tradesmen Chamber
- The Economic Chamber for Nowy Sacz and Podhale
- The Business College in Nowy Sacz
- The Agricultural Chamber
- The Foundation of Aid Programs for Agriculture (FAPA) - branch in Nowy Sacz
- The Centre of Agricultural Consulting
- The Center of Tourist Information
- The Chamber of Tourism

External partners—USAID and MSPA—will also participate in the project. Their function will concentrate on providing expertise and counseling, while the representatives of the remaining institutions will be included in the entire cycle of works consisting of meetings in thematic work groups. Particularly important role in the process of preparing the EDP will be played by the local banking and consulting institutions that have at their disposal information concerning the condition of small and medium-size entrepreneurship in the area of Nowy Sacz region. Representatives of the Business College in Nowy Sacz should participate in the works on the EDP as well, for this is the only college in the Nowy Sacz Voivodship; moreover, its profile is economic. Therefore, in the long run, it will influence considerably the rate and character of the socio-economic development, which is related to its function as a factor of integration. The future managerial staff has an opportunity of establishing mutual contacts already during the period of studies, and familiarizes itself with the activities of local entrepreneurship thanks to the practical training courses.

The Structure and Tasks of the EDP Team

It is proposed to adopt the following structure of the team preparing the program in order to rise the efficacy of works on the EDP:

- Expert coordinator
- Organizational coordinator
- Thematic groups

Coordination of Work

The function of the *expert coordinator* of the process of working out the EDP will be performed: by Józef Wiktor (the director of the Branch of the First Commercial Bank, Inc. in Lublin) on the part of the Nowy Sacz Club, and by professor Jerzy Hausner on the part of MSPA. As the works on the preparation of the strategies will proceed during a long period of time, it is necessary to select a center coordinating the activities within the bounds of the Nowy Sacz region. The functions of the *organizational coordinator* will be performed by the Nowy Sacz Club—Association for Supporting Socio-Economic Initiatives.

Coordinators' Tasks

The tasks of expert coordinators will cover:

- ! Preparation of the schedule of works related to the working out of strategies
- ! Working out the order of meetings and the set of subject matters to be discussed during the workshops in thematic groups
- ! Providing counsel to the heads of thematic groups
- ! Mediation in the negotiations targeted at relating the outcomes of the works of particular thematic groups

The tasks of the organizational coordinator will cover:

- ! Preparation of materials for the negotiations among the entities participating in the working out of the EDP
- ! Performing the function of the secretariat of the project (facilitating contacts, copying indispensable materials), and especially:
 - Help in the organization of the meetings of thematic groups
 - Handing out the prepared materials among the members of particular thematic groups
 - Communication with the media

Thanks to the support granted by the local leaders, both political and economic, the Association—Nowy Sacz Club—has a chance to become the main institutions supporting the creation of the EDP.

Thematic Groupings

The institutions of considerable influence on the socio-economic situation of the Nowy Sacz region (the representatives of the majority of these institutions participated in the workshops on economic development in Krynica) that participate in the creation of the EDP delegate their representatives to particular thematic groupings. The works on the EDP will proceed in the following thematic groupings:

- Entrepreneurship
- Tourism
- Rural areas
- Planning

The work under each thematic grouping will proceed under the guidance of a representative of Nowy Sacz milieu and an MSPA expert.

The following persons will take the function of coordinators representing Nowy Sacz milieu:

- Entrepreneurship - Mirosław Lebiechowski, chairman of SCL Carbon, Inc.
- Tourism - Józef Wojnarowski, director of Orbis Hotel
- Rural areas - Jan Golonka, the deputy foreman of PSCZ
- Planning - Józef Wiktor, the director of the Branch of the First Commercial Bank, Inc. in Lublin

The following persons will take the function of coordinators representing MSPA:

- Entrepreneurship - Adam Galczynski - Business Center Club
- Tourism - Wojciech Brochwicz - Lewinski - Sanders International Ltd.
- Rural areas - Jan Grabski - director of Centre for Agriculture Development (ODR) in Tarnów
- Planning - professor Jerzy Hausner, professor Tadeusz Kudłacz, Cracow University of Economy, MSPA

Each of the coordinators of thematic groups will cooperate with his assistant from MSPA, that is, respectively, with:

- Entrepreneurship - Paweł Białynicki - Birula
- Tourism - Sylwia Koldras
- Rural areas - Marek Świklicki
- Planning - Łukasz Mamica

The groups named *planning* will be responsible for working out planning instruments for all the thematic groups, as well as the preparation of reliable statistic data. Cooperation in the thematic group organized in such manner was tested during the workshops on economic development in Krynica. The division into groups of such profile was accepted as adequate with respect to the main strategic challenges to be faced by the Nowy Sacz region.

Each group will consist of several persons. Economic development is possible when the solutions of problems falling within the above mentioned domains of socio-economic life are coordinated. In spite of the fact that the range of problems considered in the thematic groups overlap, it seems justified to lead separate works in each group to make their activities most operative. Cooperation between all the members of the project will be effectuated on two planes:

- Plenary sessions
- Familiarization with the current results of the works of thematic group by means of the hand-outs

This form of cooperation will allow all the EDP creators to have a general vision of all the activities and to maintain a high rate efficiency.

Proposed Framework of Thematic Groups

! Entrepreneurism

- Representatives of local entrepreneurship
- PSCZ in Nowy Sacz
- Municipal Offices of Nowy Sacz
- Division of Economic Development of Voivodship Offices [VO]
- Division of Spatial Planning and Architecture of VO
- Division of Technical Infrastructure and Communication of VO
- *Gmina* and Town Offices participating in the Zone
- Local Offices
- Self-government Assembly
- Business College in Nowy Sacz
- Merchants' Guild
- Tradesmen Chamber
- Economic Chamber for Nowy Sacz and Podhale

! Tourism

- Representatives of local entrepreneurship
- PSCZ in Nowy Sacz

- Division of Tourism and Culture of VO
- Municipal Offices of Nowy Sacz
- *Gmina* and Town Offices participating in the Zone
- Local Offices
- Self-Government Assembly
- Center of Tourist Information
- Chamber of Tourism

! Rural Areas

- Representatives of local entrepreneurship
- PSCZ in Nowy Sacz
- Division of Agriculture of VO
- *Gmina* and Town Offices participating in the Zone
- Local Offices
- Self-Government Assembly
- Agricultural Chamber
- Foundation of Aid Programs for Agriculture (FAPA)
- Center of Agricultural Consulting

! Planning

- Representatives of local entrepreneurship
- PSCZ in Nowy Sacz
- Municipal Offices of Nowy Sacz
- Division of Economic Development of Voivodship Offices [VO]
- Division of Spatial Planning and Architecture of VO
- Division of Technical Infrastructure and Communication of VO
- *Gmina* and Town Offices participating in the Zone
- Local Offices
- Self-Government Assembly

Tasks by Thematic Groupings

- ! Preparation of relevant analyses and expertise in the thematic domain of a given group (SWOT analyses included)**
- ! Proposition of the priority activities related to a given aspect of economic development**
- ! Following the current results of the works of the remaining groups**

- ! Identification of the available resources that are and can be allocated for the realization of the proposed strategy
- ! Coordination of the activities of all the institutions participating in the working out of the EDP, aimed at increasing the efficacy of their functioning
- ! Formulation of the tasks that require expertise and preparation of the strategy of development of a selected aspect of economic development
- ! Proposition of a schedule of activities targeted at the implementation of the assumptions of the EDP

The division of institutions according to thematic criteria proposed in the present document should be discussed and, if necessary, corrected during the first meeting of the representatives of the institutions participating in the preparation of the EDP.

ORDER OF ACTIVITIES

- ! Applying to the heads of the institutions that influence considerably the socio-economic situation of the Nowy Sacz region to delegate (an) employee(s) to participate in the monthly meetings and works of the team preparing the EDP.
- ! Organizing the first meeting of the selected team for the preparation of EDP when the principles of creating EDP and the schedule of works will be presented and the final division of the participants into thematic groups will be adopted.
- ! common workshops targeted at discussing the results of works will be called after three working meeting of thematic groups.
- ! At the stage of creating development strategies in the selected domain, additional persons from the participating institutions (responsible for the shaping of their budgets) will be introduced into the works in the thematic groups. It will allow for the identification of the available means and, through relevant coordination, will contribute to rising the efficacy of spending the means.
- ! Proposing a schedule of activities targeted at the implementation of the assumptions of EDP. Particular groups prepare partial reports concerning EDP that, after consultations with the MSPA experts team, will become parts of the final document: the EDP for Nowy Sacz Region. The report will contain the priorities of economic development, ways of realizing them, as well as methodological propositions related to implementation of the EDP. Special

attention will be paid to the possibilities of financing the process of implementing the project.

At each stage of their works, the thematic groups may ask for counsel the experts from the MSPA expert team. Engaging the local elites in the preparation of EDP creates the chance of efficacious implementation of the assumptions of the program through the translation of the assumptions into decisions. It is also important that cooperation of the entities participating in the socio-economic life in working out the strategies will contribute to establishment of interpersonal links that are important for efficient and well-coordinated implementation of the prepared EDP.

Communication with the Local Community

The degree of social acceptance of the undertaking will decide whether the prepared EDP will be successfully or not. As inciting social entrepreneurship activities is one of the goals of EDP, it is necessary to provide the public opinion with as much information about the works carried out as possible. Local mass media should become engaged in the propagation of the ideas of EDP. In the case of the press, good results in this domain are gained through the publication of special folders concerning the relevant problematic that are inserted in the papers. Communication with the local community should not only consist in providing information on the works on the preparation of the EDP. The postulates and propositions presented by the inhabitants of Nowy Sacz region (especially these originating in business circles) should also be taken into account. Surveys of various types provide another possibility of communicating with the local community.

SCHEDULE OF ACTIVITIES

! Through the 15th December 1997

- Meeting of the representatives of all the institutions participating in the preparation of the EDP
- Selection of the persons to participate in particular thematic groups

! Through the 15th March 1998

- Preparation of relevant analyses and expertise in the thematic domains of particular groups (SWOT analyses included), with particular attention paid to:
 - The possibility of non-agricultural activation of the production potential of the area, which includes enhancing the development of entrepreneurship
 - The tourism-oriented value, functions and absorptive capacity of different parts of the area
 - Possibilities of exploiting agricultural production space

! Through 15th June 1998

- Stage of preparing programmatic assumptions and the analysis of possible activities
- Identification of available means that can be allocated to the realization of the proposed strategy

! Till the end of October 1998

- Integration of all the partial programs and preparation of the final EDP for political approval
- Proposition of a schedule of activities targeted at the implementation of the assumptions of the EDP

! November 1998

- Beginning of the implementation stage

Activities in the domain of promotion and information should be realized during the entire period of preparation of the strategies. They should be aimed at familiarizing the local community with the thematic and assumptions of the EDP. It would be desirable to create a system of monitoring the implementation of EDP, which would provide information relevant for the modifications of the program.